

FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

FILE

SEP 01 2005

OFFICE OF
MANAGING DIRECTOR

David G. O'Neil, Esq.
Counsel for Linda S. Bloom
Trustee, Runnels Broadcasting
System, LLC
Rini Coran, PC
1501 M Street, NW
Suite 1150
Washington, DC 20005

Re: Runnels Broadcasting System, LLC
Request for Waiver of FY 2004
Regulatory Fees
Fee Control No. 00000RROG-05-055

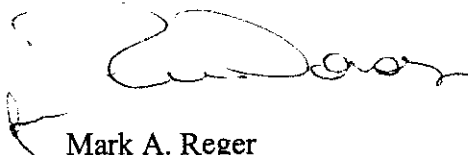
Dear Mr. O'Neil:

This responds to your June 20, 2005 request filed on behalf of Trustee Linda S. Bloom for waiver of the regulatory fee for fiscal year (FY) 2004 for Runnels Broadcasting System, LLC, Debtor in Possession (Runnels Broadcasting), on grounds of financial hardship. Our records show that Runnels Broadcasting has not paid the FY 2004 regulatory fees.

In support of your request, you state that Runnels Broadcasting has been in Chapter 11 bankruptcy since July 16, 2002 and that Ms. Bloom was appointed Trustee on December 7, 2004. You attach supporting documentation. As stated in previous letters, the Commission will grant waivers of its regulatory fees on a sufficient showing of financial hardship. Evidence of bankruptcy or receivership is sufficient to establish financial hardship. See Implementation of Section 9 of the Communications Act, 10 FCC Red 12759, 12761-62 (1995) (waivers granted for licensees whose stations are bankrupt, undergoing Chapter 11 reorganization, or in receivership). Based on the documents you submit concerning Runnels Broadcasting's bankruptcy status, your request for waiver of the regulatory fees for FY 2004 is granted.

If you have any questions concerning this letter, please contact the Revenue and Receivables Operations Group at (202) 418-1995.

Sincerely,



Mark A. Reger
Chief Financial Officer

RECEIVED

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

JUN 20 2005

Federal Communications Commission
Office of Secretary

In the matter of)
)
Linda S. Bloom, Trustee for Runnels) OMD Docket No. _____
Broadcasting System, LLC) 05RE002321, 05RE002322,
(FRN 0012310249)) 05RE002934, 05RE002935,
) 05RE002936, 05RE003040

To: Office of the Secretary

Attention: The Managing Director

**REQUEST FOR WAIVER OF PAYMENT
OF FISCAL YEAR 2004 REGULATORY FEES**

Linda S. Bloom, Trustee for Runnels Broadcasting System, LLC ("Trustee"), by its attorneys and pursuant to Section 1.1117 of the Commission's Rules, hereby requests that the Commission waive the requirements that Runnels Broadcasting System, LLC, Debtor in Possession ("Runnels Broadcasting"), make payment for regulatory fees for fiscal year 2004.¹ This pleading is in response to several letters dated May 19, 2005 issued by the Federal Communications Commission to Runnels Broadcasting, the previous licensee of the above-referenced radio stations, for failure to timely make payment for the 2004 regulatory fees.² The Trustee satisfies the Commission's requirements for financial hardship to justify waiver of the regulatory fees, and any late fee penalties that could be imposed. For the reasons listed below, a waiver of those fees

¹ The Commission's request for payment of the 2004 regulatory fees authorized the filing of a response by June 18, 2005, which falls on a Saturday. In accordance with Section 1.4 of the Commission's Rules, this pleading is filed on the next business day following that Saturday, or June 20, 2005. Thus this pleading is timely filed.

² A copy of the letters is attached to this response as Exhibit A. The letters did not reference KPSA-FM, licensed to the Trustee. This waiver request is intended to cover this station as well as the stations listed in Exhibit A.

is hereby requested. The Trustee also requests, to the extent necessary, deferral of payment of the regulatory fees for fiscal year 2004.

Linda S. Bloom, Trustee for Runnels Broadcasting System, LLC, is the successor to Runnels Broadcasting. The FCC approved the application for involuntary assignment of licenses of these stations from Runnels Broadcasting to the Trustee on January 7, 2005 and the parties consummated the transaction on January 10, 2005.³ Accordingly, the Trustee as the successor assignee to Runnels Broadcasting does not have the obligation to pay the 2004 regulatory fees of Runnels Broadcasting, the predecessor in interest.

The Trustee in its own right, however, may request a waiver of the obligation to pay the 2004 regulatory fees. Section 1.1117 of the Commission's rules provides for a waiver of regulatory fees upon a showing of good cause and finding that the public interest will be served. The Commission will grant waivers of its regulatory fees on a sufficient showing of financial hardship, and evidence of bankruptcy or receivership is sufficient to establish financial hardship. *See Implementation of Section 9 of the Communications Act*, 10 FCC Rcd 12759, 12761-62 (1995) (waivers granted for licensees whose stations are bankrupt, undergoing Chapter 11 reorganization, or in receivership). Runnels Broadcasting has been in Chapter 11 bankruptcy since July 16, 2002, and most recently the radio stations licensed to Runnels Broadcasting was assigned to the Trustee pursuant to an involuntary assignment and order by a bankruptcy court.⁴

In addition, the Commission has granted requests by Runnels Broadcasting in 2002 and 2003 for waiver of the 2002 and 2003 regulatory fees. *See Letter dated October*

³ See BALH-20041221ABO.

⁴ A copy of the July 16, 2002 Bankruptcy Petition for Runnels Broadcasting and the December 7, 2004 Order appointing Ms. Bloom as Trustee is attached as Exhibit B.

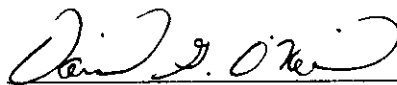
30, 2003 from Mark A. Reger; Letter dated November 7, 2002 from Mark A. Reger.⁵ The Commission granted the waivers of the regulatory fees because Runnels Broadcasting made a sufficient showing of financial hardship that Runnels Broadcasting is in Chapter 11 bankruptcy.⁶

The Trustee requests deferral of payment of the regulatory fees for fiscal year 2004, to the extent that such deferral is necessary. Since the Trustee was not the licensee when the regulatory fees for fiscal year 2004 had to be submitted, the Trustee was not in a position to pay the regulatory fees. The purpose of requesting a deferral of payment of the regulatory fees is to avoid the imposition of any payment penalties for failure to timely pay the regulatory fees. Since the May 19, 2005 letters already include the imposition of payment penalties and given the likelihood of success of this petition, the public interest would not be served by submission of the regulatory fees at this time.

Accordingly, the Trustee respectfully submits that both Runnels Broadcasting and the Trustee qualify for waiver of their obligations to pay the 2004 regulatory fees, and that the Commission waive the 2004 regulatory fees.

Respectfully submitted,

**LINDA S. BLOOM, TRUSTEE FOR
RUNNELS BROADCASTING SYSTEM, LLC**



David G. O'Neil, Esq.
Rini Coran, PC
1501 M Street, NW
Suite 1150
Washington, DC 20005
(202) 955-3931
Its Counsel

June 20, 2005

⁵ A copy of the October 30, 2003 letter is attached hereto as Exhibit C.

⁶ Specifically, Runnels Broadcasting included a copy of the July 16, 2002 Bankruptcy Petition.